

**Corporate Credit Rating**

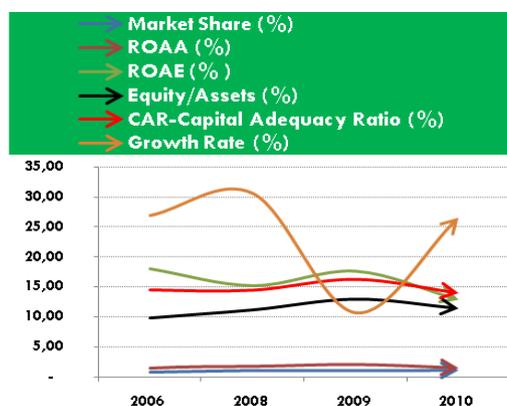
*Updated*

**Banking**

Şekerbank		Long Term	Short Term
International	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable
National	Local Rating	A+ (Trk)	A-1 (Trk)
	Outlook	Stable	Stable
Sponsor Support		2	-
Stand Alone		B	-
Sovereign*	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable

\* Affirmed by Japan Credit Rating Agency, JCR on February 21, 2011

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**Strengths**

- Net interest margin ratio markedly higher than that of the sector, though showing sharp decrease during last year
- High level of compliance with corporate governance best practices
- Efforts to generate alternative funding sources with longer maturities such as recent bond issues, syndication and securitization backed loans
- Broad and stable customer deposit base which eases liquidity management
- The Bank's growth potential in MSME's segment due to expertise and recognition in SME's banking services
- Interest of International Financial Institutions, IFC own currently 3% of the Bank's share
- Continuity and consistency in executive management

**Constraints**

- Lower amount of deposits, loans and overall work volume per branch with respect to the sector average
- Higher non-performing loan and impaired loans to equity ratios in comparison to the sector
- Lower gross ROAA and ROEA ratios, as well as other profitability ratios
- Lower net fee and commission income to total income compared to the sector
- Decrease in the capital adequacy ratio which falls below the sector average,
- Potential adverse effects of raised reserve requirements on banks' short term interest margins and growth potential

ŞEKERBANK T.A.Ş.					
Financial Data	2010*	2009*	2008*	2007*	2006*
Total Assets (USD mn)	7,603	6,060	5,520	5,435	2,978
Total Assets (TL mn)	11,556	9,124	8,233	6,300	4,185
Equity (TL mn)	1,330	1,212	929	837	418
Net Profit (TL mn)	135	155	111	115	44
Market Share (%)	1.15	1.09	1.12	1.08	0.84
Gross ROAA (%)	1.58	2.16	1.85	2.50	1.82
Gross ROAE (%)	12.93	17.68	15.27	20.89	18.07
Equity/Assets (%)	11.51	13.06	11.27	13.28	9.98
CAR-Capital Adequacy Ratio (%)	13.85	16.08	14.49	15.90	14.42
Growth Rate (%)	26.65	10.82	30.68	50.53	26.88

\*End of year

**Overview**

Şekerbank T.A.Ş. (hereinafter Şekerbank or the Bank), is a mid-scale bank and an integrated financial services company, that offers services in the corporate, commercial, SME and retail banking fields as well provides services in leasing, factoring, brokerage and insurance through its subsidiaries. The Bank was incorporated in 1953 under the name of Pancar Kooperatifleri Bankası A.Ş. in Eskişehir. In 1956 the Bank's head office was relocated to Ankara and its name changed to Şekerbank T.A.Ş. The Bank moved its headquarter to Istanbul, the finance center of Turkey, in 2004.

Şekerbank has a network of 266 branches and a well distributed geographical coverage across Turkey with 11 regional offices (three in Istanbul, eight in Anatolia) and 1 foreign representative. It employs approximately 3,500 people.

Of the Bank's total shares, 15% were initially offered to the public in 1997 while currently 31.96% shares of the Bank are open to public. Shares have been traded on the Istanbul Stock Exchange (ISE) since 1997. The remaining proportions of shares are owned by Şekerbank T.A.Ş. Voluntary Pension Fund 33.98%, BTA Securities JSC 33.98% and Sugar Beet Cooperatives 0.08%.